REMARKS:

In the Office Action the Examiner rejected claims 1-4, and 24. By this Amendment, claims 1-4, and 24 have been amended. No new matter has been presented. Claims 2 and 5-23 remain withdrawn. The Examiner's rejections are traversed below, and reconsideration of all rejected claims is respectfully requested.

REJECTIONS UNDER 35 USC §102:

In item 4 on page 2 of the Office Action the Examiner rejected claims 1, 3, and 24 under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,256,346 (<u>Yamaguchi</u>). The Applicants respectfully traverse the Examiner's rejections of these claims.

Claim 1 of the present application, recites "control information externally-produced and designating a display effect processing for arbitrarily designated partial image... said display effect processing causing said partial image data to be displayed with the display effect [and] the control information causing said partial image data to be displayed with the display effect upon being displayed." The Applicants respectfully submit that <u>Yamaguchi</u> does not disclose or suggest at least this feature of claim 1. See also independent claim 3.

Similarly, claim 24 recites "... the control information designating a display effect and being compressed" and "displaying the moving image data by integrating an image data resulting from said compressing of the moving image data and the compressed control information, thereby causing the image data to have the display effect while the image data is being displayed." These features are not taught or suggested by <u>Yamaguchi</u>.

The Examiner refers the Alpha-Map in <u>Yamaguchi</u> as teaching the control information of claim 1. However, col. 20 lines 41-46 of <u>Yamaguchi</u> explicitly states, "The arbitrary-shape orthogonal transform circuit 101 refers to this alpha-map signal, checks where the object region of the picture is, divides the rectangle region including the object region into square blocks each consisting of N.times.N pixels, and orthogonally transforms each block to obtain N.times.N transform coefficients." The Alpha-Map in <u>Yamaguchi</u> is thus used to check where the object region of the picture is, and thus, the Alpha-Map in <u>Yamaguchi</u> does not suggest or teach the display effect processing.

<u>Yamaguchi</u> discusses encoding an alpha-map signal of the small region containing the object rather than an alpha-map signal of the whole frame (see, col. 23, lines 1-14). Meaning, Yamaguchi silent regarding "designating a display effect processing for arbitrarily designated

partial image data", as recited in claim 1 for example. See also claims 3 and 24 reciting similar features.

Therefore, <u>Yamaguchi</u> does not disclose or suggest each and every element of the Applicants' independent claims. It is thus respectfully submitted that independent claims patentably distinguishes over <u>Yamaguchi</u>, and withdrawal of the §102(e) rejection is earnestly and respectfully solicited.

Therefore, withdrawal of the rejection is respectfully requested.

REJECTIONS UNDER 35 USC §103:

In the Office Action the Examiner rejected claim 2 under 35 U.S.C. §103(a) as being unpatentable over <u>Yamaguchi</u> in view of U.S. Patent No. 5,694,171(<u>Katto</u>). Claim 4 was rejected as being unpatentable over <u>Yamaguchi</u> in view of U.S. Patent No. 6,195,391 (<u>Hancock</u>). The Applicants respectfully traverse the Examiner's rejections of these claims.

As discussed above, <u>Yamaguchi</u> does not teach or suggest the feature(s) directed to "control information externally-produced and designating a display effect processing for arbitrarily designated partial image... said display effect processing causing said partial image data to be displayed with the display effect [and] the control information causing said partial image data to be displayed with the display effect upon being displayed." Claim 4 also reciting this feature(s) are distinguishable over Yamaguchi.

Claim 2 recites, "integrating the compressed area information from the area information encoding unit, where said compressed digital moving image data is changed in entirety in accordance with said area information without affecting the digital moving image data."

The Examiner relies on <u>Katto</u> as teaching encoding of a digital moving image signal. However, <u>Katto</u> merely discusses an encoding amount control circuit where width is used in the quantizer and the inverse quantizer in accordance with an encoding amount supplied from the variable length encoder (see, Fig. 4 including corresponding text).

On the other hand, <u>Hancock</u> is directed to determining whether a region is homogeneous for assigning color to the region based on the determination (see, col. 3, lines 11-17).

It is respectfully submitted that none of the cited references teach or suggest "designating a display effect processing for arbitrarily designated partial image [and] the control information causing said partial image data to be displayed with the display effect upon being

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displayed", as taught by the claimed invention.

Further, even assuming arguendo that <u>Hancock</u> and <u>Katto</u> did disclose the features discussed by the Examiner, the Applicants respectfully submit that there is no reasoning provided for combining the cited references. The Office Action merely concludes that the combination of the references would be obvious because in order to achieve high efficiency encoding and for saving costs associated with manufacturing hardware.

Therefore, withdrawal of the rejection is respectfully requested.

CONCLUSION:

There being no further outstanding objections or rejections, it is respectfully submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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Date: November 14, 2008 By: /Temnit Afework/

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